

Approved 7/15/09

## **POLICE FIRE CITIZEN'S TASK FORCE**

**June 30, 2009 – 6:00 p.m.**

**4<sup>th</sup> Floor Conference Room, Busch Municipal Building**

**PRESENT:** Jerry Fenstermaker – Chairman, Jerry Harmison, Vice-Chairman, Mary Beth Daniels, Gordon Elliott, Carl Herd, Ken Homan, Bob Horton, Danny Hyde, James Jeffries, Bob Jones, Peggy Kubicek, Charles Munsey, David Trippe, Lloyd Young

### **CITY COUNCIL MEMBERS:**

**CITY STAFF LIAISONS:** Greg Burris – City Manager, Collin Quigley – Assistant City Manager, Carl Yendes – Asst. City Attorney, Chief Lynn Rowe – Police, Mary Mannix Decker – Director of Finance, Sharon Smith - City Manager's Office

**ABSENT:** Lorenzo Baldwin, Craig Wagoner

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Mr. Jerry Fenstermaker called meeting to order. Minutes from June 24 were reviewed by Committee. With noted sentence change, Mr. Bob Jones made a motion to accept minutes. Mr. Danny Hyde seconded. Minutes approved.

Mr. Fenstermaker presented a contribution check payable to the Police-Fire Pension Fund on behalf of the Metropolitan Grill for \$5,700 to SPOA and IAFF representatives attending tonight.

Mr. Fenstermaker discussed the Task Force schedule for upcoming weeks. Due to Mr. Fenstermaker's required travel in the coming days, he would like to move town hall meetings and council presentations back approximately two weeks. The Task Force mutually agreed more time is needed to prepare for the Council recommendation. He plans to submit suggestions to City Council on the role of the Task Force in the coming months, after the final presentation is made.

Ms. Peggy Kubicek presented a report created by a selected group of Task Force members (Kubicek, Trippe, Homan, Hyde, Wagoner) on Defined Contribution Plans. The group's goal was to address the concept, with explanation of why it is not considered a recommended option from the Task Force (document attached). Mr. Jones made a motion to approve the complete document as is. Mr. Horton seconded. Mr. Trippe requested confirmation that this report is the rationale for why Defined Contribution Plan is not a recommendation from the Task Force. After extensive discussion, the Task Force voted. **Approved with a vote of (11 Yes and 1 No).**

Ms. Kubicek presented a report created by Team Three examining the pros and cons of funding sources (document attached). After discussion, Mr. Jones made a motion to recommend a 1% tax. With no second, motion was quashed.

Mr. Fenstermaker polled the Task Force on their thoughts, at this time, of recommending one of the following Sales Tax levels:

1% - 3 YES

7/8% - 4 YES

½% - 1 YES

Less than ½% - 3 YES

Mr. Herd stated his thoughts on individual contributions from citizens. He believes if more citizens donated to the pension fund, less tax would be needed. He also believes the Task Force should review the option of the police and fire employees making a larger contribution to the fund. Mr. Chad Munsey stated he would like the actuary to review the possibility of the police and fire employees giving time instead of contribution – adding a maximum of 5 years service to their employment, which is believed to be a 10% contribution to the fund.

Ms. Kubicek referenced a memorandum issued by Public Information Office from May 6, 2009, on the post election survey results from the February 2009 1-cent tax ballot. She noted the top reasons for the tax not passing based on the survey was City leadership, City Council, budget cuts and economic concerns. She stated there is new City leadership and a new Council, so she believes some of the concerns have been addressed.

Mr. Herd distributed a graph he prepared on pension contributions (document attached). He also distributed a pension ordinance history he prepared. He would like to request each member of the Task Force get copies of each ordinance listed or review online at the City's website. He distributed copies of CB 2004-409 and discussed the revisions made by this ordinance (document attached). He also distributed copies of a document prepared by Mr. Fred Ellison on the plan history.

Mr. Jones made a motion to recommend a 7/8% sales tax, after 4 years the City would review, and if not funded at 80%, request additional tax. With no second, the motion was quashed.

After discussions of various tax proposals, the Task Force agreed updated actuarial numbers would be needed for further discussions of tax proposals. Mr. Fenstermaker requested Greg Burris and Ken Homan work with Milliman to obtain updated numbers based on percentage assumptions (1/4, 1/2, 7/8, 5/8) the Task Force requested for further discussion.

Meeting adjourned at 8:20 p.m.